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REMARKS

The present invention resides in a method and system for locating and purchasing an item at an optimal price for a purchaser. The system and method include two phases. Generally, phase one involves conducting a search over a network to determine the most favorable price of goods and services offered by a first group of vendors. In phase two, a reverse auction process is conducted by soliciting a starting bid from the purchaser which may be equal to or lower than the most favorable price obtained for goods and services from the first group of vendors. After receiving the starting bid from the purchaser, the system communicates with a vendor audience to solicit bids for sale of the requested item at a price lower than the starting bid. In this manner, the competition among the vendors to consummate a sale with the purchaser drives the final sale price down below the lowest posted price determined in phase one and below the initial bid for purchase submitted by the purchaser.

Applicant has included language in new independent claims 8 and 9 relative to the reverse auction process step of soliciting bids over the network from a group of multiple vendors to obtain a price for the goods and services which is lower than the starting bid submitted by the purchaser. Neither Godin et al. nor Herz et al. disclose a system or method relative to a reverse auction process wherein the lowest price for a particular good or service is obtained by soliciting bids from a group of vendors rather than a group of purchasers.

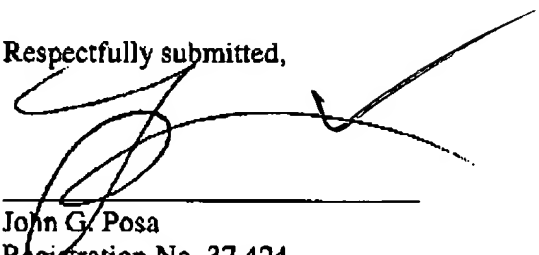
In this respect Applicant contends that the combination of Godin et al. and Herz et al. does not support a finding of obviousness and believes that the claims are now allowable over the prior art. As such, Applicant respectfully requests that this be withdrawn as a basis for rejection and the application as amended be allowed in accordance with USPTO procedures.

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Attached hereto is a marked-up version of the changes made to the claims by the current amendment.

Respectfully submitted,



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VERSION WITH MARKINGS TO SHOW CHANGES MADE

IN THE CLAIMS:

2. (Amended) The method of claim [1] 8, wherein the network is the Internet.
3. (Amended) The method of claim [1] 8, wherein the step of conducting a search over the network includes the use of an existing search engine.
6. (Amended) The method of claim [5] 9, wherein the step of conducting a search over the network includes the use of an existing search engine.

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